

Corporate Integrity and Company-Community Conflict Management in the Niger Delta Region of Nigeria

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This study examines the relationship between corporate integrity and conflict management in the Oil rich Niger Delta of Nigeria. In this cross-sectional survey, the data generated from 156 respondents was analysed and hypotheses were tested using Regression Analysis. The results of the study show a significant relationship between corporate integrity and conflict management outcomes in the region. The relationship between the dimensions of corporate integrity, which include corporate integrity capacity and corporate integrity communication competence, and effective conflict management are conceptualized in a conflict management model, which addresses the increasing challenge of company-community face-off in the Niger Delta.

INTRODUCTION

Conflict management and resolution is a familiar theme in several public and academic fora in the Niger Delta region of Nigeria. For, community leaders, social crusaders, environmental activists and academics have all been engaged in seeking solutions to the incessant conflicts between Multi-national Oil Corporations (MNOCC) and their host communities in the region. It is evident that the business climate of the oil industry especially in the Niger Delta has largely been unfavourable due to incessant company–community conflicts. For instance, Ahiane (2004) recalls some of the headlines of recent media reports about the region such as: “Youths Seize Nine Oil Expatriates in Warri”, “Two Foreigners kidnapped in Port Harcourt”, etc. and opines that the situation in the Niger Delta is a major concern to the Nigerian government, the local communities and the oil firms whose operations have become increasingly threatened.

This study therefore examines the paradigmatic shift adopted by MNOCCs in addressing the hitherto neglected but significantly fundamental issue of Company-Community Conflict. The nature of conflict between MNOCCs and their host communities is discussed, conflict management outcomes examined, and the place of corporate integrity in effect conflict management explored. The paper presents a corporate integrity based conflict management model which enables Multinational Corporations to relate with their host communities in a way that conflict is effectively managed. A case situation involving the MNOCCs in the Niger Delta region of Nigeria, in which the emerging value structure of the MNOCCs and its consequence for the attainment of sustainable peaceful business environment is examined empirically. The theoretically grounded conflict management model, which is discussed, that proposes a two-step framework for managing conflict is presented to illustrate the practical applicability of corporate integrity in managing conflict.

The Nature of Company-Community Conflict in the Niger Delta

This study took place in the Niger Delta Region of the Federal Republic of Nigeria. The region “describes the fan formation arising from the spread of the distributaries at the base of the River Niger wherein it empties into the Atlantic Ocean” (Wokocha, 2002 p.12). The Niger Delta region is Nigeria’s economic heartbeat (Darah 2001) and is situated to the South of the Country. The Region, which is made up of the southern coastal states covers an area of 70,000 square km and consists of a number of distinct ecological zones (Fubara 2002). Rich with Crude Oil, which has become the mainstay of the Nigerian economy (Ekuerhare 2002), the region is also known for its Gas, Hydrocarbon and Water Resources. These rich natural endowments have however not translated into concrete development of the region. Rather, the region has a catalogue of human and infrastructural problems which have been largely unattended to while its resources are being exploited (Fubara 2002). Consequently, the region is at present, averred to be very volatile as Multi-National Corporations (MNOCs) especially in the oil industry have suffered increased aggression from host communities for their perceived ethical inconsistencies towards alleviating the numerous problems of host communities. The situation is such that according to Darah (2001), these MNOCs are perceived to represent imperial terror against the region. Consequently, two prominent feature of the conflict in the region, which we will now discuss are company-community disintegration and insecurity of workers and oil facilities.

The incessant disruption of oil exploration and exploitation activities in the oil rich region has attracted both national and international attention in recent years. The ‘expulsion’ of Shell Nigeria Development Company from Ogoni land in 1993, the abduction of several oil workers by Warri warlords and the Bayelsa *Egbesu* cult in 1997 and 2004 respectively, the seizure of a flow station in the Bille community in 2005, and similar incidences in other parts of the region since the return of democratic rule in Nigeria in 1999 depict the conflict situation in the region which has compelled several oil prospecting companies to shut down strategic locations and flow stations. These sustained attacks on expatriate workers and oil facilities have caused a ripple in the global oil market in recent years and is only next to the Middle East crises in terms of its destabilizing effect on the global energy market. Whilst it is widely held that these MNOCs have, over the years, exploited the widespread ignorance of the people of the region, the Niger Delta Environmental Survey of 1997 indicates that “the people are becoming increasingly enlightened about their rights as citizens, in the same vein that they are becoming increasingly aware of how much is derived from their communities as oil revenues both for the government and the oil companies...” (Niger Delta Environmental Survey, Final Report, Phase 1, 1997, p.62). Accordingly, Efemini (2002) argues that the people of the Niger Delta are of the view that with the enormous wealth associated with their oil endowments, there is no justification for remaining at the present low level of development.

Consequently, there is increasing demand by the people of the region for a fair treatment towards the actualisation of their dream of accelerated and sustainable development. The agitation has taken several forms - from non-violent to violent mass actions - which have resulted in the disruption of the operations of the MNOCs. The struggles of the Niger Delta people according to Darah (2001) date back to the 19th century when the Princes and Merchants of the region fought against the monopolist tendencies of European firms. The import of this age long struggle which now manifests in widespread public cynicism against the MNOCs may largely be traced to the perceived ‘lack of integrity’ of the MNOCs in their dealings with the host communities. Consequently the choice of the Niger Delta as the setting for this study was both guided by theoretical and practical concerns. This study brings to the front burner, the issue of ‘Corporate Integrity’. We acknowledge that integrity as a tool for corporate success has up till now been viewed more as an ‘individual property’. Our focus is therefore directed at the salient transcendental actions of the corporate entity, which carves out a distinct character for it and determines the perception of its publics. This study therefore examines the place of ‘Corporate Integrity’ in effectively managing company-community conflict.

LITERATURE REVIEW

The Concept of Conflict Management

Before analyzing the place of corporate integrity in the management of conflict, it is essential to begin the analysis by examining the nature of conflict and how it can be managed. It is obvious that conflict has become a phenomenon that is inevitable in human society due to the variegated nature of human makeup and the way society is organized. Darling and Fogliasso (1999, p.384) affirm that “conflict arises due to a variety of factors” which include “differences in goals, expectations, values, proposed courses of action, and suggestions about how to best handle a situation”. Accordingly, Appelbaum et al (1999, p.63) state that “conflict refers to a process of social interaction involving a struggle over claims to resources, power and status, beliefs, and other preferences and desires”. Thomas (1976) makes the definition of conflict clearer by stating that it is the process which starts when a party perceives that another party has frustrated, or is about to frustrate, some concern of theirs. Pruitt and Rubin (1986) add that this perceived divergence of interest, is based on the belief that the parties’ current aspirations cannot be achieved simultaneously. Summing up these views, McKenna (1995, p.22) argues that “conflict situations arise when the needs, wants and values of two parties interfere with one another”. In the particular case of the Niger Delta, the host communities and the MNOCs appear to be working at cross purposes, which has given birth the conflict in the region.

Drawing from these definitions of conflict, two questions are pertinent: (1) what is conflict management? (2) what is effective conflict management? To effectively answer these questions, we agree with Henkin et al (2000) who argue that conflict management is a communicative behaviour. Our view stems from the belief that one way of changing peoples’ perceptions is through effective communication (Ahiauzu, 2006). In their comprehensive definition of conflict management Bloomfield and Reilly (1998, p.18) therefore posit that it “is the positive and constructive handling of difference and divergence”. They argue that it addresses how to deal with conflict “in a constructive way, how to bring opposing sides together in a cooperative process, how to design a practical, achievable, cooperative system for the constructive management of difference”. This position emphasizes the need for the establishment of a practical communicative vehicle that will integrate the parties involved and ensure that peace reigns. Reiterating that the two major manifestations of the conflict in the Niger Delta are company-community disintegration and increased level of insecurity of oil installations and the lives of oil worker, effective conflict management will in this context therefore refer to the attainment of company community integration and increased level of safety of oil workers and installation. These outcomes are however difficult to attain when there is distrust between the parties involved in the conflict. This is the position held by Susskind et al (2003) who therefore advanced that when stakeholders mistrust each other, it will be important for conflicting parties to first of all seek to understand each other’s perspectives better with the purpose of lessening fears and opening minds. For, Appelbaum et al (1999) posit that the interplay of conflict and how it is managed will give rise to either functional or dysfunctional outcomes. Corporate integrity, as an approach for preventing such dysfunctional outcomes, which include antagonism and hostility, is what this study sets out to examine.

The Concept of Corporate Integrity

It is acknowledged that integrity has been a central theme in ethics and organizational behaviour literature, as well as other social science disciplines (Trevinyo-Rodriguez, 2007). But, most of the discussions have centred on integrity as an individual attribute. For instance, Kaptein and van Reenen (2001, p. 284) point out that “discussions about the concept of integrity often refer exclusively to a characteristic that only human beings can have”. Nevertheless, Jones and Pollitt (1995) posit that there are three dimensions of integrity in business life and these include the personal, the corporate and the macroeconomic. It is thus appropriate to conceptualise integrity as an organizational level concept since organizations are engaged in a web of relationships with stakeholders and are therefore bound by the ensuing expectations and agreed standards of operation (Kaptein and Reenen, 2001). The definition of corporate integrity construct is drawn from the general meaning of integrity. Integrity refers to strength of

character, which involves a reputation for truthfulness, honesty and conscientiousness (Ahiauzu, 2003). This definition focuses on three fundamental characteristic features that determine the level of trustworthiness of individuals or organizations. Thus Werhane and Freeman (1997), in their definition of integrity emphasize the quality of moral self-governance at both the individual and group level. Integrity is rooted in moral convictions (Ejiofor, 1987) and is very important for corporate success. Secretan (2001) posits that corporations that build their cultures around integrity are likely to achieve a quantum leap in effectiveness. Such corporations are in his view, encapsulated in ‘corporate-wide truth-telling’.

Several studies (Snell, 2000; Barrier, 1998; Snell and Tseng, 2002; and Jennings and Entine, 1998) have analysed the prevailing business practices and the role of integrity-driven corporate culture in corporate success and have respectively made references to such terms as ‘Moral Ethos’, ‘Business Ethics’, ‘Moral Atmosphere’ and ‘Corporate Soul’. The import of these themes is basically the same as they all point to the efficacy of corporate integrity in securing public trust. As Jennings and Entine (1998) state, the concept of corporate soul is a proposal to focus business ethics evaluation on an integrity and accountability model. This is feasible when integrity as Jones and Pollitt (1995) affirm, is viewed both as a state of being (wholeness) and an instrument for action (honesty). But market distortions, public cynicism, and a workforce lacking moral self-efficacy, according to Snell and Tseng (2002), present challenges to integrity in enterprises. Consequently, organisations blow smoke at regulators, competitors, and industry associations, in marketing, sales, and public relations, and to employees (Secretan 2001). Thus truth-telling is absent from most corporations and as Sims (1992) points out and affirmed by Despande (1996), there are regular accounts of lack of integrity, and the pursuit of private gain at the peril of the general public.

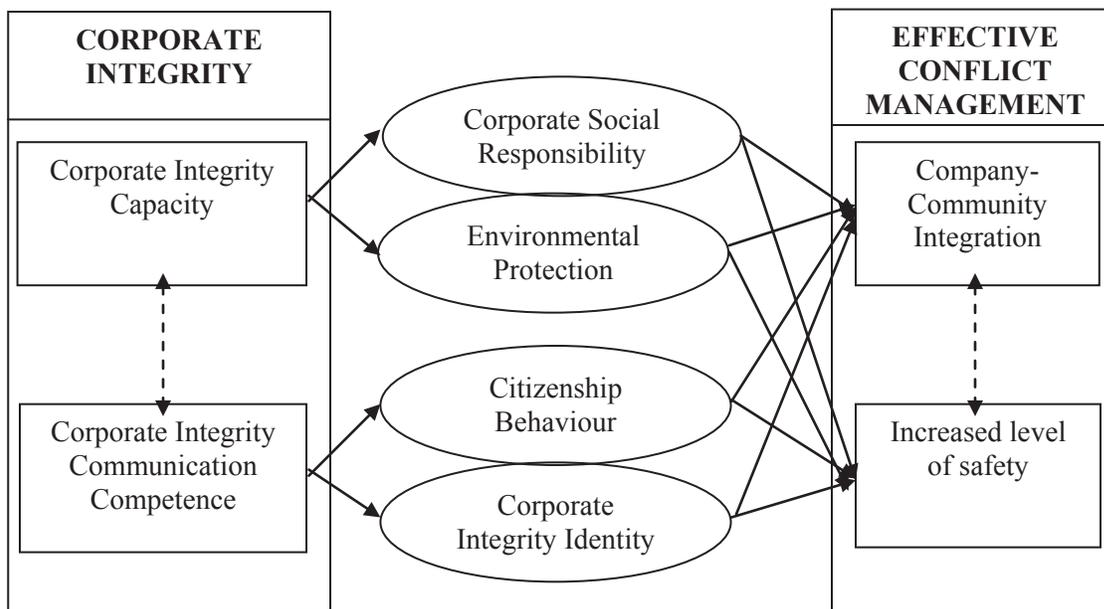
Drawing from the forgoing, corporate integrity can be viewed as referring to an institutionalised mindset that arises from a complex network of influences on the organisation and its members, which gives rise to a moral-driven organization that is characterised by corporate truth-telling, honesty, discipline, loyalty and self control. This corporate mindset which determines the organisation’s moral judgement is developed through the normal phases of corporate maturation. Drawing from Kay’s (1970) analysis of Piaget’s phases of the development of moral judgement at the individual level, three important elements can be identified, which will enable us conjecture as we explicate corporate integrity construct. These are morality of restraint, morality of corporation and creative morality. The third stage which is based on equity gives rise to moral autonomy and represents a moral judgement that is based not on conformity to immutable moral code (morality of restraint) or a social consensus (morality of corporation), but upon an individual’s consideration of the claims, needs, motives, intentions and ideals (Kay 1970). For an organisation that has attained moral maturity, its response to the expectations of its stakeholders is not only determined by legal constraints or the desire to avoid sanctions. Neither is it solely determined by industry solidarity contract, but more so by a creative expression of self-discipline and self-control that is morally defined. Their approach to social responsibility is therefore anticipatory and preventive rather than reactive and retrospective (Ivancevich et al 1997). Integrity, which is bounded by justice, dependability, and morally justifiable principles and values (Ahiauzu 2003), therefore influences an organization’s outreach to its host community.

Theoretically Grounded Conflict Management Model

Our conceptualization of the role of corporate integrity in conflict management leads to the conflict management model in figure 1, which shows the outcomes of corporate integrity capacity and corporate integrity communication competence, and the process that results in company-community integration and increased level of safety. Corporate integrity is assessed by the interaction between an organisation’s integrity capacity and its integrity communication competence. To attract goodwill from its publics, the organisation needs to enhance its corporate integrity capacity. Similarly, the organization needs to develop its competency for projecting its corporate integrity in order to present a good corporate image to its publics. Corporate integrity capacity consists of the organization’s moral development programme which ensures that the organization develops its integrity profile. Petrick and Quinn (2001, p.24) define integrity capacity as the “collective capability for repeated process alignment of moral awareness,

deliberation, character and conduct that demonstrates balanced judgement, enhances sustained moral development and promotes supportive systems for moral decision making”.

**FIGURE 1
CONFLICT MANAGEMENT MODEL (CMM)**



The four dimensions of integrity capacity, according to Petrick and Quinn (2000) are, process integrity capacity, judgement integrity capacity, developmental integrity capacity, and system integrity capacity. Organizations develop these capacities through rites and ceremonies, symbols, language and general operational modes and practices. Maintaining corporate integrity capacity requires periodic integrity audit to check deviant behaviours. The integrity audit enables organizations enhance their moral awareness and character, which subsequently manifests in ethical conducts such as corporate truth-telling and transparency. Corporate integrity capacity therefore ensures that the organization views seriously its social responsibility like environmental protection and infrastructural development of host community. Ivancevich et al (1997) note the role of corporate integrity in this regard and state that within the organisation there is a philosophy that becomes part of the culture that reflects the firm’s approach to social responsibility. The gains of such a philosophy are enormous and Gannon (1988) identifies public responsibility, social obligation and business morality as synonyms of social responsibility. These are the components of good corporate citizenship and Einwiller and Will (2002) therefore argue that a reputation for social and environmental responsibility is important for developing a distinct and recognizable identity for an organization. In the Niger Delta, the issues that have given rise to company-community conflict include environmental degradation as a result of industrial pollution, underdevelopment of infrastructure, poverty and large scale unemployment. These burning concerns require the rapid response of multinational corporations. How MNOCs respond to these issues as well as to other legal and moral requirements, will go a long way in defining the level of company-community integration and the level of safety of expatriate workers and oil installations. We therefore hypothesize that:

- H1: There is no significant relationship between corporate integrity capacity of Multinational Oil Corporations and perceived level of company-community disintegration in the Niger Delta.
- H2: There is no significant relationship between corporate integrity capacity of Multinational Oil Corporations and increased level of insecurity of oil workers and installations in the Niger Delta.

Following the position of Henkin et al (2000) that conflict management is a communicative behaviour, we are of the view that culture of integrity represented by integrity capacity has to be adequately projected for it to attract the desired response from the organization's publics. An Organisation cannot be regarded more highly than its culture portrays since it projects its identity by its corporate culture. This implies that the ethical structures which an organization develops over time serve as vehicles through which it communicates to stakeholders. Thus, it is not only involved in the creation of a strong integrity capacity, but also in projecting its identity as that of a good corporate citizen. Good corporate citizenship is absolutely necessary for the sustenance of a healthy operating environment for MNOCs. This is because they are expected to operate within stipulated legal and ethical frameworks in order to avoid any negative moral tag that will erode a healthy business environment. Consequently, organizations will have to build integrity communication competence as a way to enhancing conflict management.

Corporate integrity communication competence is the expertise level attained by an organization in effectively projecting its corporate integrity identity to its publics. Melewar (1993) identifies corporate communication as one of the seven competencies associated with an organization's corporate identity. According to Melewar and Karaosmanoglu (2006, p. 850), "Corporate communication is a term that encompasses all the ways in which the organization communicates with its various stakeholders". Information management is therefore important for the development of corporate integrity communication competence. Organizations can achieve this through a well articulated corporate impression management mechanism. Most of the troubles MNOCs face in their business operations in the Niger Delta are as a result of the negative impressions held of them by their host communities. An important strategy that can be adopted to shore up corporate image and douse the tension that characterizes company-community conflict is to enhance an organization's communication competence. This however requires a corporate social audit, which enables the organization to reposition itself to attract long-term goodwill. Social audit in Gannon's (1988) view is a systematic attempt to assess business performance in terms of social issues. MNOCs in the Niger Delta require goodwill to effectively manage the conflict in the oil industry. We therefore hypothesize that:

- H3: There is no significant relationship between corporate integrity communication competence of Multinational Oil Corporations and perceived level of company-community disintegration in the Niger Delta.
- H4: There is no significant relationship between corporate integrity communication competence of Multinational Oil Corporations and increased level of insecurity of oil workers and installations in the Niger Delta.

THE EMPIRICAL STUDY

Method

A total of 156 employees (a response of 78 percent) participated in this study. All respondents (combination of supervisory and operational managers) were employees with 3 Multi-national Oil Corporations that operate in the Niger Delta Region of Nigeria. Adopting the model of Saunders et al (2003) with a margin error of 5%, the simple random sampling technique was used to select a sample of 200. Data-gathering was achieved through quantitative survey distributed via e-mail. After the questionnaires with missing values on the research variables were removed, a total of 156 remained: 113 men (72 percent) and 43 women (28 percent). 53 (24 percent) of the respondents have spent below 10 years on the job while 103 (66 percent) have spent above 10 years.

The instrument contained five items on each of the dimensions of corporate integrity viz., corporate integrity capacity and corporate integrity projection competence. Similarly, effective conflict management was measured with five items that reflect the state of company community integration as well as the perceived level of safety of oil workers and installations. Possible responses were arrayed on a five-point Likert scale comprising strongly disagree (1), to strongly agree (5). Content validity was established for items that were developed by the researcher from literature and further subjected to specific feedback

from two independent reviewers who work in the oil industry. One additional reviewer was consulting professor who works in the area of organizational studies. Kline (2000, pp. 25-26) positing that “in establishing the construct validity of a test we...demonstrate that the results are consonant with the definition, i.e. the psychological nature of the construct”. The questionnaire for the study was composed of only those items on which the independent reviewers indicated agreement. Correspondingly Sarantakos (2005, p.88) explains that “reliability refers to the capacity of measurement to produce consistent results”. We tested for internal consistency on the instrument with our sample using the Cronbach alpha. The Cronbach’s alpha calculates the average of all possible split-half reliability coefficients and though 0.80 is the threshold level, 0.7 is generally accepted by the rule of thumb (Bryman and Bell, 2003). The alpha value, which was calculated to determine the reliability of the scale used in this study was 0.8963, which exceeded the benchmark of 0.7.

Data Analysis

The data generated through the quantitative instrument were entered into the data editor of the SPSS version 11. For our primary analysis, descriptive statistics including measures of central tendency (mean scores) and dispersion (standard deviation and variance) were computed. To test the relationship between the criterion variable, effective conflict management and the predictor variable, corporate integrity, two regression equations were developed and regression analysis was used to determine the coefficient of determination (R) in both equations. To test the usefulness of the overall regression model, we tested the significance of the regression relationship between the criterion and predictor variables using T test.

Findings and Discussion

Tables 1 and 2 report the mean and standard deviation, and correlation respectively. The descriptive statistics results in table 1 indicate that Multi-national Oil Corporations have improved their corporate integrity capacity in a bid to enhance a healthy operational environment. With a mean score of (M = 3.84) workers hold that MNOCs make it clear to them what their moral responsibilities are towards organizational publics. More so, responses to the individual items show that managers are believed to set good examples on how to treat the organizations’ clientele. Workers are also of the view that the norms regarding how to relate with clientele are founded on the core moral value of truthfulness. Thus, they aver that they always defend their organization whenever they’re asked about the policies since they are built on integrity. With the measures put in place to monitor corporate integrity, workers are of the view that no staff gets away with irresponsible conducts towards organizational publics as erring members are appropriately sanctioned.

TABLE 1
DESCRIPTIVE STATISTICS (N = 156)

	Mean	Std. Deviation
Corporate Integrity Capacity	3.8410	.64607
Corporate Integrity Communication Competence	4.1654	.67972
Increased level of Company-Community Disintegration	2.7479	.77540
Perceived level of Insecurity of Oil Workers and Installations	4.1603	.82499

The descriptive statistics results also indicate that MNOCs have a high degree of corporate integrity communication competence (M = 4.16). Workers are of the view that their organizations provide sufficient, timely and relevant information on its objectives and capacities to its publics. MNOCs are also seen by their workers as socially responsible to the needs of their host communities, as well as acting to protect the environment through environmentally friendly policies and practices. Organizational members rate MNOCs as good corporate citizens because they act with a sense of responsibility towards their

moral obligations to society. The workers thus agree that their MNOCs have built good corporate images for themselves within their host communities.

Correspondingly, the descriptive statistics show that the era of decline in company-community integration is over ($M = 2.74$), although the safety of expatriate workers and oil installations is yet to be sufficiently guaranteed ($M = 4.16$). The workers of MNOCs do not believe that the integration their organizations enjoyed with their host communities is yet waning steadily. In the same vein, they disagree that Public cynicism towards their organizations have increased in recent years, just as they also disagree that the level of trust held by the public towards their organizations is considerably lower than it used to be in the past. An important feature of the descriptive statistics however is the revelation that the installations and facilities of MNOCs continues to suffer increased vandalism in the recent past, just as the safety of expatriate workers remains a major concern.

**TABLE 2
CORRELATIONS**

	1	2	3	4
Corporate Integrity Capacity	1			
Corporate Integrity Communication Competence	.751**	1		
Increased level of Company-Community Disintegration	-.590**	-.584**	1	
Perceived level of Insecurity of Oil Workers and Installations	-.267**	-.519**	.329**	1

** Correlation is significant at 0.01 level (2-tailed).

To determine the existence of a relationship between corporate integrity and effective conflict management, table 2 shows the correlation between corporate integrity capacity, corporate integrity communication competence, company-community integration and increased level of safety. The correlation analyses reveal a negative, significant correlation between corporate integrity capacity and perceived level of company-community disintegration ($r = -0.59^{**}$, $p = 0.000$), and perceived level of insecurity of oil workers and installation ($r = -0.26$, $p = 0.001$). The analyses also reveal a negative, significant correlation between corporate integrity communication competence and perceived level of company-community disintegration ($r = -0.58^{**}$, $p = 0.000$), and perceived level of insecurity of oil workers and installation ($r = -0.51$, $p = 0.000$).

**TABLE 3
REGRESSION ANALYSIS**

Model	Unstandardized Coefficients		Unstandardized Coefficients		
	B	Std. Error	Beta	T	Sig.
1 (Constant)		.319		18.443	.000
Corporate Integrity Capacity	5.884	.114	-.347	-3.639	.000
Corporate Integrity Communication Competence	-.369	.109	-.323	-3.393	.001

a. Dependent Variable: Increased level of Company-Community Disintegration

Tables 3 and 4 present the results of the regression analyses. From the analysis in table 3, corporate integrity capacity is negatively and significantly related to perceived level of company-community

disintegration ($\beta = -0.34, p = 0.000$) thus rejecting hypothesis 1. Similarly, corporate integrity communication competence is negatively and significantly related to increased level company-community disintegration ($r = -0.36, p = 0.001$) thus rejecting hypothesis 3. From analysis in table 4, corporate integrity capacity is positively and significantly related to perceived level of insecurity of oil workers and installations ($\beta = 0.36, p = 0.000$) thus rejecting hypothesis 2. Similarly the analysis show that there is a negative and significant relationship between corporate integrity communication competence and perceived level of insecurity of oil workers and installations ($\beta = -0.88, p = 0.000$) thus rejecting hypothesis 4.

TABLE 4
REGRESSION ANALYSIS

Model	B	Unstandardized Coefficients		T	Sig.
		Std. Error	Beta		
1 (Constant)	6.472	.363		17.808	.000
Corporate Integrity Capacity	-.361	.130	.282	2.767	.006
Corporate Integrity Communication Competence	-.888	.124	-.731	-7.165	.000

a. Dependent Variable: Perceived level of Insecurity of Oil Workers and Installations

The results of the study show a significant p-value of $\leq .001$, and establish a strong relationship between corporate integrity conflict management outcomes. This means that as MNOCs continue to improve on their corporate integrity, their conflict management outcomes in the Niger Delta will be enhanced. Specifically, as the MNOCs improve on their corporate integrity capacity and corporate integrity communication competence the more they will enjoy company-community integration and safe operational environment.

CONCLUSIONS AND IMPLICATIONS

The long-term neglect of the integrity question in the oil industry has created a volatile business climate that has adversely affected the operations of MNOCs in the Niger Delta region of Nigeria. We have, in this study, established that the organisation's corporate integrity capacity and corporate integrity communication competence levels will continue to determine the extent of cordiality between these MNOCs and their host communities as well as the level of safety of personnel and facility. Our theoretically based conflict management model (CMM), which is supported by the results of this study, suggests that the bid by MNOCs to improve on their corporate social responsibility, environmental friendliness, corporate integrity identity, and project themselves as responsible corporate citizens is a step in the right direction that will quell the troubled business climate in the Niger Delta. For, as advanced by the Niger Delta Environmental Survey (1997), the most fundamental issues with respect to the Delta communities' perception of oil exploration in the region include among others, (1) oil company development projects, (2) community perception of the benefits of oil and its consequences, (3) the perception of risks and hazard of oil exploitation, (4) the nature of community-oil company relations, and (5) compensation payments.

MNOCs, in adopting the conflict management model (CMM) to address the increasing challenge of company-community face-off in the Niger Delta should not only emphasise the development of their corporate integrity capacity but more importantly improve their corporate integrity communication competence. This is because the corporate image of these MNOCs needs to be shored up and the study

recommends that they engage in periodic integrity and social responsibility audits. Such moves, as the conflict management model suggests, will enable these MNOCs continuously evaluate their performance in terms of their corporate social responsibilities and environmental protection, as well as the state of their corporate citizenship and corporate integrity identity. This will thus help them induce corrective measures where necessary to enhance clement business environment.

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